

MEMORANDUM FOR: Special Assistant to the Director
for Planning and Coordination
Deputy Director (Intelligence)
Deputy Director (Administration)
Inspector General

SUBJECT: Reexamination of CIA's
Reimbursement Policy

1. The attached report, prepared and agreed to by the undersigned, has as its main objective to be responsive to Mr. Dulles' letter of September 23, 1954 to Mr. Armstrong, namely, "The scheduled reexamination of the method of financing State's NIS program by CIA in cooperation with the Bureau of the Budget and Department of State should be concluded by 15 September 1955, in order that the conclusions of such reexamination may be reflected in the budget for fiscal year 1957."

2. However, we have endeavored to treat the subject of reimbursement as comprehensively as possible because of questions in the past about reimbursement in other connections raised by General Cabell and Bureau of the Budget, because of possibilities such as those raised by Mr. Amory regarding coordination of intelligence budgets (memorandum of August 11, 1954) and in view of the Inspector General's summary of our reimbursement situation in all regards with the Department of State.

Wilhelm Blake
Mason Reber